

STATEMENT OF SENATOR SLADE GORTON  
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SENATE COMMITTEE ON  
COMMERCE, SCIENCE, AND TRANSPORTATION  
AVIATION SUBCOMMITTEE HEARING  
ON AVIATION REPAIR STATIONS  
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This afternoon, the subcommittee will look at issues involving the safety of the aviation repair stations. Specifically, the hearing will focus on S. 1089, legislation introduced by Senators Specter, Ford and others to amend the rules governing the use of foreign repair stations by U.S. airlines. In addition, the General Accounting Office will update us on the quality of Federal Aviation Administration oversight of aviation repair stations, both domestic and foreign.

All support the principle that safety must be the highest priority in the aviation industry. The proof of this fact can be found in the remarkable aviation safety record of the past two decades. As the front line of the industry, airlines and their employees deserve most of the credit for this record. Their diligent efforts have helped to make flying one of the safest forms of transportation.

While maintaining this safety record, the commercial aviation industry has undergone many significant changes, particularly since deregulation. One notable change is the growth in the use of outside contractors for the repair, renovation and maintenance of aircraft. According to the General Accounting Office, nearly half of all such work is performed by 2,800 independent repair stations rather than by the air carriers themselves. About 270 of these contractors are located abroad.

The outsourcing of so much aircraft maintenance and repair raises a number of issues. The foremost concern is whether safety is being compromised. It seems apparent that the overall safety record of the industry has not changed since outsourcing has become a common practice. That does not mean that there is no reason to be vigilant. The ValuJet tragedy highlighted how outsourcing is handled by the industry and monitored by the government. One of the lessons that I hope that the FAA learned from that incident is that its monitoring and inspection capabilities must adapt to the new environment. As we will hear in more detail from the GAO, the FAA still needs to make additional progress in this area.

Of course the air carriers are ultimately responsible for the work of their outside contractors. In that respect, no level of FAA oversight can match the careful efforts of the airline industry to ensure safety.

The use of foreign repair stations by domestic airlines is another indication of how the industry has changed in recent years. Both passenger and cargo air carriers now operate their aircraft in all parts of the world. In the future, expansion of international air transportation is almost certain to exceed growth in domestic markets. This globalization means that there will be increasing competition among those businesses that serve the air carriers, such as repair stations. While we have good reason to be confident about our country's abilities, it would be arrogant for us to assume that only Americans can provide quality aircraft repair work.

The key issue is whether it is fundamentally safe for U.S.-based aircraft to be repaired and maintained outside of the country. As with outsourcing in general, the record does not seem to indicate that the use of foreign repair stations is a safety problem. If safety is not seriously at risk, I am unconvinced that we should act in a way that may restrain international competition. I look forward to hearing more from all of our witnesses on this crucial point.

Finally, I want to welcome Senator Specter, who will be testifying about his own bill, S. 1089. I appreciate your appearing with us here, Senator Specter. You are the sponsor. You are our lead-off witness, and we are ready to hear from you as soon as we have heard from Senator Ford, who is also a sponsor, and Senator Wyden maybe, as well.